

LAND BOARD AGENDA ITEM

November 19, 2007

REQUEST FOR FINAL CONSIDERATION OF THE ACQUISITION OF LAND FOR NATIONAL GUARD READINESS CENTER (MISSOULA ARMORY)

PROPOSAL: Montana Department of Military Affairs (DMA) proposes to acquire land in Missoula on which to build a new Armed Forces Reserve Center.

PROPONENT: Montana Department of Military Affairs

ACRES: 30.49 acres

PURCHASE PRICE: \$2,000,000 for 30.49 acres

**APPRAISED
VALUE:** \$2,160,000.

BENEFICIARY: Non-trustland

LOCATION: Missoula County

BACKGROUND:

The DMA has been actively looking for a site to construct a new Armed Forces Reserve Center to replace the Reserve St. facility, which was successfully auctioned on October 24, 2007 for the minimum bid of \$3,500,000. The new site must meet certain criteria, which includes cost, size of parcel, engineering specifications, and volume of available water supply, among others. An intensive search produced one parcel that met the qualifications for acquisition, and a purchase agreement was entered into between DMA and the seller Dennis Williams. The purchase agreement was contingent upon DMA conducting due diligence, and final approval of the Board.

PUBLIC INVOLVEMENT PROCESS, DUE DILIGENCE, AND RESULTS

An Environmental Baseline Survey (NEPA) document was prepared which also complies with state MEPA requirements, including public notification and involvement. No public comment was received on the acquisition of this parcel by DMA. DMA has completed due diligence on the proposed acquisition, which included a Phase I Environmental Assessment, appraisal, engineering studies, and approval by Missoula County. The Phase I Environmental Assessment and engineering studies conducted by DMA indicate the parcel is suitable for acquisition. All components of the transaction

have been finalized, and Missoula County has reviewed and approved the survey. The appraised value is more than the purchase price.

Upon approval by the Board, DMA will finalize the acquisition of the property. The closing is scheduled for January 3, 2008.

AGENCY RECOMMENDATIONS

The DMA believes this acquisition is in the best interest of the National Guard, and requests that this the acquisition receive final approval from the Board.

